

COUNTY COMMISSION REQUEST FOR ACTION # 2023-234

Title: ARPA Progress and Reallocation

COMMISSION MEETING DATE: December 19, 2023, at 9:00 AM

REQUESTING DEPARTMENT OR AGENCY: County Administration

CONTACT PERSON: Phillip Smith-Hanes

DEADLINE IF ANY FOR ACTION: December 31, 2024

DATE SENT COUNTY COUNSELOR: Select Date

1. Request for Action

On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law. Among many other provisions, ARPA provides direct funding to each county in the United States through what is called the Coronavirus Local Fiscal Recovery Fund (CLFRF). For Saline County, this amount is \$10,532,376. After a public input process, the County adopted an initial plan for expenditure of CLFRF on August 31, 2021. This plan has gone through numerous revisions as projects have been added, deleted or changed. Beginning in July 2023, the Commission identified a number of “back up” projects that could be substituted for projects that failed to materialize or came in under budget. The list of back up projects has also gone through several iterations, and on December 12 your Commission conducted a Concept Discussion about revising this list to reflect current priorities. At that time, staff was directed to bring back an item for your consideration which reflected increased emphasis on projects with the potential to position the County organization for future success and save costs.

Attached is a review of the current status of ARPA-funded projects in the County. It is color-coded by status. Red lines reflect projects that have been canceled. Green lines are projects that have been completed. Yellow lines are projects that are active, while orange or gold lines are projects that are pending. The blue lines are items that are recommended for Commission consideration today, in two categories:

Small-Dollar Shifts: There are three projects that are active or in progress that have a small blue bar in the “under review” column. The Capital Improvements for Non-Profits Grant to CAPS (line 1.3) is now complete, and they have just over \$987 in unspent funds. It is recommended that \$210 of that amount be transferred to Small Expenses including Promotion (line 11.4), which is also completed but slightly over budget. The remainder is recommended to be allocated to the Courtroom Remodel (line 6.4).

Reallocation of \$511,175: As noted on November 21, \$1,011,175 was available for reallocation, largely due to cancelation of the housing project with the City of Salina (line 2.2) and a few other changes. \$500,000 of this amount was previously reallocated to Fire District grants (line 6.6). The remaining funds are recommended to be divided as follows:

1. "Top up" the additional funds to the Courtroom Remodel. Final construction bills for this project total \$156,148.54 versus \$148,840.55 remaining allocated for this project. Adding \$6,531 of this reallocation amount (in addition to the remaining funding returned by CAPS as noted above) would allow this project to be closed out from CLFRF rather than dipping into County funds.
2. New project line 6.7, Utility costs for facility transitions in 2024. As noted by the County Administrator on December 12, the County's budget for 2024 did not account for additional costs that may be experienced during building moves. Although it is not certain whether this will be needed (or how much it may cost, if needed), staff recommends allocating funds for this. If they are not needed, they can be repurposed towards the end of 2024 for other project needs.
3. New project line 7.7, Add an additional ambulance to the EMS fleet. This is estimated to cost \$390,000, which is a large bill for a single year (in addition to regular ambulance replacement costs). It currently appears that the ambulance cost for 2024 will come in below budget by about \$26,000, however, allowing for this to be reduced to \$364,000.
4. New project line 9.3, Joint study of downtown campus facilities. This project was previously anticipated to be funded from the Capital Improvement Fund; funding it from CLFRF instead would free up resources that could be used for actual construction in future years. The County's portion may well be higher than the \$120,000 allocated in this recommendation, but any funds from future savings could be added to this item as a first priority.

In addition, there is a blue line for air service incentive for RON flight. The Commission is considering that as a separate action today. If the Commission does not agree to proceed with this incentive, staff would recommend a new project line 10.2, Simpson Road Improvements between Campbell and Schippel, which is also estimated to cost \$400,000. This project was previously discussed with Commissioners on September 12, 2023, but is not recommended as part of the \$511,175 available for reallocation today.

2. Alternatives for Action

1. Approve the reallocation of funds as recommended by staff.
2. Do not approve the recommended reallocation and provide further direction.

3. Staff Recommendation

Staff recommends approval of the reallocation of CLFRF as discussed above. Staff believes this conforms to the Commission's direction.

4. Budget Impact

Pursuant to State law, expenditures of CLFRF are not subject to the County's adopted budget. Sufficient funds are available for the reallocations as recommended.

5. Action Taken by County Commission